

BEFORE THE
POSTAL REGULATORY COMMISSION
WASHINGTON, D.C. 20268-0001

COMPETITIVE PRODUCT PRICES
EXPRESS MAIL
EXPRESS MAIL CONTRACT 13

Docket No. MC2013-32

COMPETITIVE PRODUCT PRICES
EXPRESS MAIL CONTRACT 13 (MC2013-32)
NEGOTIATED SERVICE AGREEMENT

Docket No. CP2013-41

**RESPONSE OF THE UNITED STATES POSTAL SERVICE TO
CHAIRMAN'S INFORMATION REQUEST NO. 1**
(January 23, 2013)

The United States Postal Service hereby provides its response to Chairman's Information Request No. 1, which was issued on January 16, 2013. A response was requested by January 18, 2013. Attached is the request, reprinted verbatim, followed by the Postal Service's response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE
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January 23, 2013

**RESPONSE OF THE UNITED STATES POSTAL SERVICE TO
CHAIRMAN'S INFORMATION REQUEST NO. 1**

REQUEST:

Please explain how contract prices will be adjusted in contract years two and three and the prices as adjusted will satisfy 39 U.S.C. § 3633(a). Please identify the contract provisions that contemplate this adjustment.

RESPONSE:

The Postal Service's standard annual adjustment provision was inadvertently excluded from the draft of the contract that was ultimately signed. Prices will be adjusted annually by the average change in Express Mail prices. The Postal Service intends to file an amendment to correct this oversight. The customer has agreed in principle to amend the contract in this manner. The Postal Service expects the amendment will be filed within the next month.